

Lyon County

Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

6/8/2018

Using the most recent IMPLAN data available (2016) adjusted for 2018, 26 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Lyon County economy.¹

These 26 sectors have a total direct output of approximately **\$2.53 billion** and support **3,410 jobs** in Lyon County. Running the model for all 26 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Lyon County Economy						
Impact Type ²	Employment	% Employment	Total Value Added ³	Total Value Added % of Gross Regional Product ⁴	Output ⁵	Output % of Gross Regional Product
Direct Effect	3410.1	15.87%	\$423,713,292	27.47%	\$2,529,481,790	163.98%
Indirect Effect	1747.7	8.14%	\$122,680,308	7.95%	\$255,156,214	16.54%
Induced Effect	945.9	4.40%	\$60,643,132	3.93%	\$110,823,630	7.18%
Total Effect	6103.8	28.41%	\$607,036,733	39.35%	\$2,895,461,634	187.71%

As shown in the above table, agriculture, food, and food processing sectors support **6,104 jobs**, or **28.41%** of the entire workforce in the county. These sectors provide a total economic contribution of approximately **\$2.90 billion**, roughly **187.71% of the economy**.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 26 agriculture, food, and food processing sectors is approximately **\$607.0 million**, or **39.35% of the GRP**. This indicates that personal income, business income, and taxes generated by these sectors account for **39.35% of the total economy**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

1 Article on building a contribution analysis in IMPLAN that avoids double counting:

http://www.implan.com/index.php?option=com_content&view=article&id=660%3A660&catid=253%3AKB33&Itemid=70

2 Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

3 Value added = labor income + indirect business taxes + other property type income.

4 GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

5 Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the meat processed from carcasses sector is the top employer with **904 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Lyon County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Animal, except poultry, slaughtering	904.2	\$651,228,710
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	664.4	\$62,000,453
Dog and cat food manufacturing	600.8	\$912,120,679
Bread and bakery product, except frozen, manufacturing	472.9	\$75,479,812
Truck transportation	320.1	\$49,064,176
Wholesale trade	305.0	\$62,413,494
Soybean and other oilseed processing	146.4	\$665,657,372
Animal production, except cattle and poultry and eggs	142.6	\$14,150,974
Limited-service restaurants	121.3	\$8,787,117
Meat processed from carcasses	107.8	\$55,656,720

The dog and cat food manufacturing sector directly contributes approximately **\$912.1 million** to the Lyon County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Dog and cat food manufacturing	600.8	\$912,120,679
Soybean and other oilseed processing	146.4	\$665,657,372
Animal, except poultry, slaughtering	904.2	\$651,228,710
Bread and bakery product, except frozen, manufacturing	472.9	\$75,479,812
Wholesale trade	305.0	\$62,413,494
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	664.4	\$62,000,453
Meat processed from carcasses	107.8	\$55,656,720
Truck transportation	320.1	\$49,064,176
Oilseed farming	31.6	\$26,017,525
Rail transportation	52.5	\$24,724,637

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Lyon County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	31.6	\$26,017,525.15
Grain farming	38.8	\$11,348,418.42
Vegetable and melon farming	1.2	\$198,267.05
Fruit farming	5.0	\$362,665.39
Tree nut farming	0.3	\$43,733.70
Greenhouse, nursery, and floriculture production	0.9	\$97,061.35
All other crop farming	72.5	\$4,375,504.57
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	664.4	\$62,000,453.01
Dairy cattle and milk production	0.9	\$282,431.94
Poultry and egg production	0.2	\$148,259.24
Animal production, except cattle and poultry and eggs	142.6	\$14,150,973.98
Commercial logging	1.7	\$76,464.19
Commercial hunting and trapping	3.5	\$70,772.93
Dog and cat food manufacturing	600.8	\$912,120,678.66
Other animal food manufacturing	16.6	\$22,432,718.58
Soybean and other oilseed processing	146.4	\$665,657,371.80
Animal, except poultry, slaughtering	904.2	\$651,228,710.34
Meat processed from carcasses	107.8	\$55,656,720.20
Bread and bakery product, except frozen, manufacturing	472.9	\$75,479,812.04
Frozen cakes and other pastries manufacturing	1.1	\$167,435.61
Breweries	8.2	\$4,445,309.88
Wineries	0.8	\$219,115.66
Sawmills	10.8	\$2,526,898.69
All other industrial machinery manufacturing	46.6	\$11,300,137.60
Veterinary services	43.0	\$4,648,109.66
Landscape and horticultural services	87.5	\$4,426,240.57

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Lyon County, the retail sector was omitted.